



# ***FINANCE COMMITTEE***

## ***CITY COUNCIL***

**TUESDAY, FEBRUARY 22, 2011**  
**CITY COUNCIL OFFICE**  
**5:00 p.m.**

### **Committee of the Whole**

- 1. Sewer Fund Investigation**
  - 2. Police Uniform Contract Award**
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**Committee Members:** F. Acosta, Chair; D. Reed; J. Waltman

*Although Council committee meetings are open to the public, public comment is not permitted. However, citizens are encouraged to attend and observe the committee meetings. Comment from citizens or professionals during the meeting may be solicited on agenda topics via invitation by the Committee Chair.*

### **I. Role and Duties of Elected City Auditor**

*Language from Charter & Adm Code from Reading, Allentown & Harrisburg, along with outtakes from DCED Auditor's Handbook attached*

### **II. Cable Channels Assigned under Franchise Agreement**

### **III. Review of January Financial Statements (Balance Sheet & Cash Flow Report) (FI01 & FI04)**

### **IV. Review IT Report**

- a. Update on Data Cleansing initiative – 2011 CIP Project**

**V. Discuss Outsourcing of Other Tax Billing & Collection Areas**

**VI. Update Major Systems Residential Rehab – Program Amendment**

**VII. Update - Collection Report for Delinquent Taxes and Misc Fines & Fees (RE01)**

1. Update on Status of Linebarger Contract
2. Per Capita (Linebarger)
3. Permits & Miscellaneous(Linebarger)

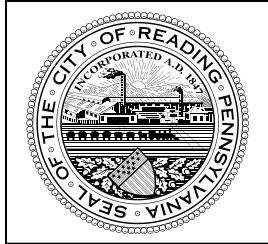
**VIII. Review Act 47 Recovery Plan Initiatives – *Written Report Only***

**IX. CD Report – *Written Report Only***

- a. Un-programmed CDBG Funds
- b. Closing out unpaid CD Loans (CD02)
- c. UDAG Fund
  - 2009 Balance Sheet/Income Statement
  - 2010 Balance Sheet/Income Statement and quarterly report for 2010 showing revenues and expenditures

**2011 Budget Follow Up Items**

1. Explore further healthcare reductions by using the “Major Medical” approach where all medical expenses are paid out of pocket and then reimbursed on a percentage bases. Also inquire with the RSD and County re opting in to one of their current packages
2. Explore outsourcing additional tax billing and collection areas
3. Review projections and objectives in Recovery Plan and plan implementation
4. PILOT - develop approach to increase PILOTs from non-profits



# *CITY COUNCIL*

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## *Finance Committee*

### **Meeting Report** **Tuesday, January 18, 2011**

**Committee Members Attending:** F. Acosta, chair, D. Reed, J. Waltman

**Others Attending:** C. Zale, J. Nagle, L. Kelleher, H. Tangredi, C. Weidel, C. Geffken, D. Cituk, V. Spencer

Mr. Acosta, chair, called the meeting to order at 5:05 pm.

#### **December Finance Statements**

The 2010 year end income statements and preliminary 2011 cash flow statements were distributed. Mr. Zale gave a snapshot of the year end noting that all revenues and expenses have not yet been booked. He stated that the new template for the cash flow show inflow and outflow and add inter-fund borrowing and payment. He then described his plan to improve the Finance Department's reporting capacity.

Mr. Waltman noted the need for the Finance Committee to obtain a bullet point list of big ticket items as it is difficult for the Finance Committee and other Councilors to review and identify these issues while reviewing the report at the Finance Committee meeting. He stated that providing this big ticket list will enable the Finance Committee and Administration to take corrective measures early in the budget year.

Ms. Reed questioned the year end 2010 income statement, line items as followed:

- Grants and Gifts, underperforming by approximately \$200K
- Other, underperforming by approximately \$3.3M

Mr. Geffken stated that Other is falling short due to un-booked indirect costs. He stated that

overall in 2010 revenues underperformed by \$7M and expenditures underperformed by \$900K. He expressed the belief that after all revenues and expenses are booked the budget gap will be reduced to \$1.5M total.

Mr. Acosta questioned why the non-departmental expenses came in over budget by approximately \$600K. Mr. Geffken stated that this overage is associated with bond costs, un-booked Social Security and other personnel expenses.

Mr. Waltman noted the need for the Finance Department to improve their monitoring of revenues and expenditures so adjustments can occur during the budget year.

### **IT Report**

Mr. Tangredi distributed the IT report and provided a snapshot. He noted the beginning of the paperless agenda project that will begin with Blighted Property Review Committee this week. Ms. Kelleher stated that Mr. Acosta and Ms. Goodman-Hinnershitz will be asked to test the paperless Council agenda on Monday, January 24<sup>th</sup>.

Mr. Tangredi stated that a meeting has been arranged tomorrow with Recorder of Deeds Fred Sheeler regarding data cleansing and data collection.

Mr. Tangredi stated that the Training room located in the old 3<sup>rd</sup> floor Public Works/Engineering space is under construction. He stated that the room will be divided to provide office space for Community Development and IT Training. He stated that construction is expected to be completed in February.

### **Policy Follow-up from 2011 Budget Discussions**

- **Fleet Services – Contract for Services to other Agencies and Municipalities**

Mr. Geffken reported that this project has been partially funded in 2011 at \$75K. He stated that PFM predicted revenue of \$135K. He stated that the Administration is working to seek opportunities. *Assigned to Public Works*

- **Transiency Policy and Housing Strategy**

Ms. Kelleher stated that during budget discussions, Council asked the Administration to work with the Reading School District to find a way to share transiency information pertaining to its students. Mr. Acosta requested follow-up in February. *Assigned to Public Safety.*

- **Purchase of Bullet-proof Shields for Street Lights**

Ms. Reed stated that this request came through Met-Ed as they are running low on bullet-proof shields for street lights in various high crime areas throughout the City. Mr. Waltman noted that currently some street lights belong to the City and others belong to Met-Ed. He noted the need for the City to retain shields for the street lights

they own. Ms. Reed offered to follow-up with Met-Ed. *Assigned to Public Safety.*

- **Increasing the Fine Rate for State Moving Violations**

Ms. Kelleher reported that the Public Safety Committee asked her to follow-up with the PLCM to find out if they would be willing to lobby State legislators about increasing the fines at the State level. She noted that the PLCM did not see this as an issue they would be willing to lobby for.

- **Solicitor Review- BAC Legal Counsel**

Mr. Geffken stated that this item is still being considered. Mr. Acosta noted the need for the City to understand which Boards require legal assistance, internal or external. Mr. Spencer recalled that there was an issue with legal representation with the Blighted Property Review Committee. Ms. Kelleher stated that Ms. Butler was recently reassigned to serve the Blighted Property Review Committee. However, she noted that in other cities, the Blighted Property Review Committee is served by the Redevelopment Authority solicitor, as the Blighted Property effort falls under the auspices of the Redevelopment Authority. **Assigned to Adm Oversight.**

- **Outsourcing Additional Tax Billing and Collection Areas**

Mr. Geffken stated that with the outsourcing of Property Tax and Earned Income Tax billing and collection, the City only retains Business Privilege License and Tax billing and collection, along with Per Capita Tax Billing and Collection. Ms. Kelleher recalled that the Act 47 Recovery Plan states that a bit over 57,000 residents should be paying Per Capita tax. Last year the City collected approximately \$70K showing that only about 14,000 citizens are paying the Per Capita tax annually. She stated that the Recovery Plan estimates that if all citizens were paying, the City would collect approximately \$280K. Mr. Spencer recalled that when this issue was discussed in the past, the Administration referred to Per Capita Tax collection as collecting “nickels and dimes”. After Discussion, the Administration was asked to approach the Reading School District about taking Per Capita tax. Mr. Geffken reported that Linebarger is currently working to identify those who should be paying Per Capita tax, including those living in the senior high-rises.

- **Review & Defined Policy for Trades Construction Permits**

Mr. Spencer stated that some projects are not required to pay the full permitting fees for construction projects. He noted the need for a City to define a clear policy, which would require all to pay the same fees. Mr. Acosta noted the need for the City to be business friendly. The Committee noted the need for clarification and redrafting of the current policy, currently applied by the Mayor. Mr. Geffken volunteered to follow-up. *Assigned to Public Safety.*

- **Housing Registration and Inspection Fees**

Ms. Kelleher stated that when the Housing ordinance was amended last year to increase the rental registration fee from \$50 to \$100 per unit, an accompanying fee to cover the City’s charge for property inspections was not included. Mr. Geffken stated

that he will follow-up. *Assigned to Public Safety.*

### **Update Major Systems – Residential Rehab**

Ms. Kelleher stated that at the last Finance Committee meeting, the Committee asked Mr. Robinson to develop a hybrid program that will aid families and seniors. Mr. Robinson stated that he will follow-up.

### **CD Report**

Mr. Robinson distributed a handout showing the CDBG expenditures for 2010. He stated that in addition to the regular CDBG allocation the City received \$5M from CDBG-R and approximately one-half of that is spent to date. He also stated that the City received a \$5M payment for NSP. He stated that \$1.5M has been expended to date.

Mr. Robinson reported that the street paving, funded through CDBG-R, is complete and the NSP auditors are currently working in the Community Development department.

### **Closing Out Unpaid CD Loans (CD02)**

Mr. Robinson reported that the CD office is obtaining assistance from a Philadelphia attorney who is preparing documentation and demand letters.

There was next a discussion on investigating those who received loans and those who created the program.

Mr. Acosta questioned why this issue is continually brought forward. Ms. Kelleher noted that the recovery plan asks the City to attempt to collect these unpaid loans and write-off those that are uncollectible. Mr. Robinson agreed, noting that many of these loans are nearly two (2) decades old.

### **Collection Report for Delinquent Taxes and Misc. Fines and Fees**

Mr. Geffken reported that the Finance Department is currently discussing their concern with Linebarger's collection efforts. He stated that in addition the Finance department is also discussing delinquent Per Capita Tax collection specifically.

Mr. Geffken stated that the City is also considering contracting delinquent ambulance fees collection to Linebarger. Mr. Spencer recalled that First State is already collecting ambulance fees.

### **Review Act 47 Recovery Plan Initiative**

Mr. Tangredi distributed a spreadsheet showing progress on the various Act 47 initiatives. He stated that the list is color-coded as follows:

- White – not yet started
- Yellow and Blue – In Progress
- Purple – Rejected

Mr. Spencer and Ms. Reed both noted their objection about those selected to participate on the Economic Development work group. They noted the need for broader participation in this effort.

The Finance Committee meeting adjourned at 7:10 pm.

*Respectfully submitted by Linda A. Kelleher CMC, City Clerk*

#### **FOLLOW-UP REQUIRED**

- Electronic financial reports to be provided with the committee agenda packets, including bullet point list of major items
- Amendment of the Recovery Plan to correct miscalculations
- Report on IT data Cleansing Initiative
- Report close out delinquent CD Loans (Recovery Plan CD01)
- Discussion on allocation of CDBG Funds for eligible projects in the 6 Council Districts
- 2011 Budget Follow-up Issues, assigned to Committees
- Per Capita Tax Collection – CG to ask RSD is they will take over billing and collection & Portnoff identification of those not currently paying
- Update to Major Systems Rehab Program – D. Robinson
- Report – Closing out old CDBG loans – D. Robinson

## **ADMINISTRATIVE CODE**

### **E. City Auditor.**

#### **§1-151. Power and Duties.**

The City Auditor shall have financial oversight of the City of Reading finances and shall have those powers and duties prescribed by law, Charter or ordinance and include but not be limited to the following:

A. Section 503(A) through (L) of the Charter, "Responsibilities."40

B. Section 911(4) of the Charter, "Capital Projects Approved."41

C. Conduct audits of petty cash funds as appropriate.

(Ord. 17-1996, 6/24/1996, §5.01)

## **CHARTER**

### **ARTICLE V**

#### **CITY AUDITOR**

##### **Section 501. Election and Terms.**

The election of the City Auditor shall be held in municipal elections in the manner provided by law. The term of office of the City Auditor shall be four years commencing the first Monday in January after the election.

##### **Section 502. Eligibility.**

The candidate for City Auditor shall be a registered voter of the City who shall have resided in the City continuously for at least one year immediately preceding the primary election in which the City Auditor seeks office. The City Auditor shall continue to reside in the City throughout the term of office. In addition, the City Auditor must have a Bachelors Degree in Business Administration, Municipal Government, Accounting, Management or a related field. The City Auditor elected at the first election under this Charter shall receive an annual salary of \$40,000.00. ~~All future increases in the salary of the City Auditor shall be related to the salary of the Mayor; when the Mayor's salary is increased the salary of the City Auditor shall automatically be increased by the same amount.~~ *(The link between the Mayor and Auditor salary was eliminated via approval of the referendum question at the November 2008 General Election)*



### **Section 503. Responsibilities.**

The City Auditor shall:

- (a) Have financial oversight of City finances, independent of the Executive and Legislative branches and shall review all expenditures of the Mayor, City Council, and City Boards, Commissions and Agencies;
- (b) Review the Annual Budget before approval by City Council, and make nonbinding recommendations to City Council for consideration;
- (c) Be present or represented at all Council meetings;
- (d) Perform specific audits of City finances from time to time as determined by the City Auditor or City Council;
- (e) Report to Council on the progress of the implementation of any recommendations as found in the Annual Audit and Management Letter;
- (f) Assist in all audits conducted by independent auditors;
- (g) Assure the accurate and timely completion and submittal of audit reports along with appropriate follow-up recommendations;
- (h) Furnish to City Council, the Mayor, the Managing Director, and others, as appropriate, periodic reports of audits conducted;
- (i) Interpret and communicate audit policies and procedures to all City management and staff;
- (j) Direct internal financial security and loss investigation activities;
- (k) Prepare an annual budget for the office of City Auditor and operate the office of City Auditor within approved budget limitations; and
- (l) Issue any subpoenas in order to fulfill the duties and responsibilities of the office of City Auditor.

#### **Section 504. Forfeiture.**

The City Auditor shall forfeit that office if the City Auditor:

- (a) lacks at any time during term of office for which elected any qualification for the office prescribed by this Charter or by law;
- (b) violates any express prohibition of the Charter; or
- (c) is convicted of any crime classified as a misdemeanor of the second class or higher, under the laws of the Commonwealth of Pennsylvania or the United States, or be convicted of any comparable crime under the laws of any other state in the United States.

In all cases of forfeiture, the City Auditor shall be entitled to notice and a hearing in accordance with the administrative procedures to be established by Council.

#### **Section 505. Vacancy.**

- (a) If the office of the City Auditor becomes vacant for any reason, Council shall appoint an interim City Auditor who shall serve until the next Municipal Election.
- (b) A vacancy in the office of City Auditor shall be filled at the next Municipal Election, in the manner provided by law. The person elected shall hold the qualifications for the office of the City Auditor and shall serve the remaining portion of the vacated term.

#### **Section 506. Prohibitions.**

- (a) The City Auditor shall not hold any compensated appointive City office or City employment during the term of office for which the City Auditor was elected.
- (b) The City Auditor shall not serve as an elected official in any other office in the Commonwealth of Pennsylvania or political subdivision thereof.
- (c) The City Auditor shall not hold any compensated appointed City office or City employment until one year after the expiration of the term for which the City Auditor was elected.
- (d) The City Auditor shall not serve as an employee of a municipal authority which is created solely or jointly by the City with one or more political subdivisions until one year after the expiration of the term for which the City Auditor was elected.
- (e) A City Auditor who has a financial interest, direct or indirect, or by reason of ownership of stock in any corporation, in any sale of land with the City or in any contract with the City, shall immediately make known that interest to Council. A City Auditor who wilfully conceals any such interest shall be guilty of malfeasance in office. Violation of this section with the knowledge expressed or implied of the person or corporation contracting with or making a sale to the City shall render the contract or sale voidable by the City.

## **FROM DCED – AUDITOR’S GUIDE HANDBOOK**

### **Advisory Role of Elected Auditors**

There are differences between professional auditing and the duties of elected auditors. By nature, professional auditing requires the auditor be a person trained in auditing and accounting. An elected municipal auditor is not required to have any training in auditing and accounting. By way of duties, the professional auditor not only examines the financial transactions of the unit, but also has a responsibility to recommend improvements in accounting procedures, internal control devices and related fiscal matters. The elected municipal auditor has no responsibility for the financial welfare of the municipality beyond the settlement of the accounts.

Elected auditors are unable to compel installation of adequate accounting methods where they are lacking. They are not required to prepare supporting financial statements nor to adhere to any generally accepted accounting principles. Obviously, this does not imply auditors are powerless in enforcing their findings where corrections are found necessary. The various codes provide that auditors may employ an attorney to assist in settling agreements. Furthermore, the auditors have the power to surcharge individual officers of the municipality for any balances found due. Auditors also have a power of subpoena to compel the attendance of witnesses and the production of necessary evidence.

These powers, properly used, constitute an effective office for insuring the financial affairs of a municipality are carried out in a legal manner. The powers available become less clear, however, with regard to making management recommendations to improve an otherwise legitimate method of operation. We suggest that the elected auditor take an advisory role in the improvement of municipal financial procedures as deemed appropriate. The elected auditors should, however, be reasonably certain that their position is valid since they can at times be personally responsible for the results of their work and recommendations. Any recommendations for operating improvements should therefore be properly developed and checked with knowledgeable municipal personnel prior to making them public.

Recommendations and related findings should include:

1. An explanation of the problem that exists.
2. The reason that the existing condition has a negative effect on the operation of the municipality.
3. The reason for the condition existing. This may include explanations provided by the municipality.
4. A discussion of the solutions ☹good business practice, laws, regulations.

5. Recommendation for operating improvements. It is suggested that any findings and recommendations be submitted in a separate management letter accompanying the Annual Audit and Financial Report. This letter should be addressed to the same parties as the report, should indicate its purpose, and should reference the Annual Audit and Financial Report.

## **Capital Projects Fund**

### **Purpose of Capital Projects Funds**

The capital projects fund is generally used to record the acquisition of major facilities through purchase or construction. These facilities are then used in general government operations. The projects can be financed through debt proceeds, taxes, grants from other governments or transfers from other funds. When projects are funded by way of debt proceeds, these proceeds are included under "other financing sources" in the revenues section of the Audit Report. The debt liability is accounted for separately in the general long-term debt account group. When projects are funded by grants from other governments, the grants are recognized as revenues to the capital projects fund as they are expended for eligible project purposes. Prior to that they are recorded as liabilities. Upon completion, capital assets are recorded in the fixed asset account group.

### **Audit Objectives**

The objective of the audit is to obtain evidence that:

1. The financial statement(s) for capital projects funds are fairly stated.
2. Capital expenditures comply with budgetary, legal, grantor and contractual requirements

### **Audit Program - Capital Projects Funds**

1. Refer to the audit programs for cash, investments, receivables, payables, transfers, revenues and expenditures in Sections 3, 4 and 6.
2. If projects are funded through grants from other governments, review any grant agreements to determine any contract terms the governmental unit must meet and test these if material.
3. Consider inspecting capital projects in process to verify their existence.

## **ALLENTOWN CHARTER**

### **ARTICLE IV** **CITY CONTROLLER**

#### **SECTION 401 ELECTION AND TERMS**

The election of the City Controller shall be held in municipal elections in the manner provided by law. The term of office of the City Controller shall be four (4) years commencing the first Monday in January after the election.

#### **SECTION 402 ELIGIBILITY**

The candidate for City Controller shall be a registered voter of the City and shall continue to reside in the City throughout the term of office. The City Controller elected at the first election under this Charter shall receive an annual salary of \$49,892. All future increases or decreases in the City Controller's salary shall be by referendum.

#### **SECTION 403 RESPONSIBILITY**

The City Controller shall:

A. Have financial oversight of City finances, independent of the Executive and Legislative branches and shall review all expenditures of the Mayor, City Council and City Boards, Commissions and Agencies;

B. Review the Annual Budget before approval by City Council, and make nonbinding recommendations to the Mayor and to City Council for consideration, if he or she deems it necessary;

C. Be present or represented at all Council meetings;

D. Perform specific audits of City finances from time to time as requested by the Mayor or by City Council;

E. Report, to the Mayor and to City Council, on the progress of the implementation of any recommendations as found in the Annual Audit and Management Letter;

F. Assist in all audits conducted by independent auditors;

G. Assure the accurate and timely completion and submittal of audit reports along with appropriate follow-up recommendations;

H. Furnish to City Council, the Mayor, and others, as appropriate, periodic reports of audits conducted;

I. Interpret and communicate audit policies and procedures to all City management and staff;

J. Direct internal financial security and loss investigation activities;

K. Prepare an annual budget for the office of City Controller and operate the office of City Controller within approved budget limitations; and

L. Issue any subpoenas in order to fulfill the duties and responsibilities of the office of City Controller.

## ALLENTOWN ADMINISTRATIVE CODE

### ARTICLE 131 **CITY CONTROLLER**

- 131.01 Election and Terms
- 131.02 Eligibility
- 131.03 Responsibility
- 131.04 Forfeiture of Office
- 131.05 Vacancy
- 131.06 Prohibitions
- 131.07 Bond Required
- 131.08 Accounts and Reports
- 131.09 Appointment of Acting Controller; Powers, Duties and Liability

#### **131.01 ELECTION AND TERMS**

*The election of the City Controller shall be held in municipal elections in the manner provided by law. The term of office of the City Controller shall be four (4) years commencing the first Monday in January after the election. (Art. IV, §401)*

#### **131.02 ELIGIBILITY**

*The candidate for City Controller shall be a registered voter of the City and shall continue to reside in the City throughout the term of office. The City Controller elected at the first election under this Charter shall receive an annual salary of \$49,892. All future increases or decreases in the City Controller's salary shall be by referendum. (Art. IV, §402)*

#### **131.03 RESPONSIBILITY**

*The City Controller shall: Administrative Code – Part I, General and Administrative Provisions – March 2010 43*

## HARRISBURG WEBSITE

# Harrisburg City Controller

[Comments](#)[Posts](#)

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## **General Information**

The office of the Controller is an autonomous Office of City Government headed by the City Controller, an independently elected official. This office is responsible for the review and approval of all expenditures and obligations of the City.

Performing the internal audit function requires that all purchase orders, warrants, contracts and agreements be reviewed for compliance with the Third Class City Code, other state laws, City of Harrisburg administrative policies and City ordinances. The signature of the Controller is a legal requirement on all of the aforementioned documents. This office also issues monthly financial reports to the Mayor and City Council

which analyze revenues and expenditures for all budgeted funds.

## Mission Statement

The mission of our office is to ensure the fiscal health of the City of Harrisburg by advising the general public, City Council and Mayor of the City's financial condition. We believe transparency in government is an essential tool to fiscal health and are committed to providing it to all. It is our duty to monitor and enforce the annually adopted budget, perform necessary audits and assure that all expenditures are correct and appropriately authorized. In the course of performing our duties we strive to improve the efficiency and effectiveness of city government in general.

**For information on how to contact us and other city officials please visit the [Contact Us](#) page.**



**Daniel C. Miller, MBA, CPA,** is the founder of Miller Dixor. During the past twenty-five years he has concentrated his accounting, tax preparation and small business consulting experience included financial accounting with both a small accounting firm and Fortune 500 corporation. He has thousands of individual income tax returns and worked with many small businesses. Mr. Miller has spoken on management planning and income tax matters and has participated in several lectures throughout Central Pennsylvania. He has worked with many organizations, including a large number of physician practices. He has taught scores of QuickBooks accounting produced by Miller Dixon Drake in cities all over the east coast as far west as Cincinnati. Mr. Miller is a member of the American Certified Public Accountants and the Pennsylvania Society of Accountants. He received his B.S. in Accounting from Elizabethtown College and his Masters in Business Administration (MBA) from Pennsylvania State University, University Park. He has served on many community organizations Board of Directors including the Harrisburg County General Authority. Mr. Miller was elected to Harrisburg City Council in November 2005 and served as Vice President in 2009. In November 2009 he was elected Harrisburg City Controller for a four year term that began in January 2010. In October 1999 he was fired from his Camp Hill, PA CPA job "for being gay". After starting his own firm to which many clients followed him, he was sued by his previous employer. This lawsuit was of national interest, first reported in The New Yorker and later appealed to the U.S. Supreme Court. The New Yorker published a comprehensive article on his plight in June 1994. Mr. Miller resides in Harrisburg, PA with his partner of twenty years and

[The New Yorker: Dan Miller Feature Article](#)

**William P. Leinberger, CMA, CFM**, began his tenure with the City of Harrisburg in 1999 as the City's Accounting and Financial Reporting Systems Manager in the Accounting Office. This position was responsible for cash flow planning related to payroll, debt service, and operations; Maintaining and adjusting the City's ledger accounts, including all year-end adjustments; Coordinating the annual audit with the external auditing firm; Preparing the annual State Liquid Fuels report; Calculating the City's annual Minimum Municipal Obligation for three pension plans; Preparing the annual Debt Statement; Preparing the annual Auditor General Municipal Pension and Fire Relief forms; Preparing the annual Public Utility Realty Tax Act filing; The Unclaimed Property report; Fixed asset reporting; and the year-end IRS Form 1096 filing. Mr. Leinberger was promoted to the position of Finance Director, reporting directly to the Business Administrator. While maintaining his responsibilities as the Accounting and Financial Reporting Systems Manager, he also had responsibility for the Department of Administration's Budget Office and Purchasing Office, while working closely with the Treasurer's Office. This position played an integral role in creating and coordinating the annual budget, the Mid-Year budget projections, year-end reallocation plan and budgetary control through the City's encumbrance system. In January of 2010, Mr. Leinberger assumed the position Chief Deputy Controller for the City of Harrisburg. He hopes to utilize his prior fiscal experience to fulfill the Controller's Office mission of "ensuring the fiscal health of the City of Harrisburg by advising the general public, City Council, and Mayor of the City's financial condition".



Mr. Leinberger has also served the public as a Tax Examiner for the Internal Revenue Service at the Philadelphia Service Center and as a Fiscal Associate for the State of Maryland, Carroll County Health Department. He has also worked in the private sector for a regional banking institution performing the investment accounting and securities and Exchange Commission reporting. He received his Bachelor of Science degree from Pennsylvania State University with a major in Professional Accountancy.



**Rosemarie Witmer** fulfills the position of Auditor within the Controller's office. Her 32 years of experience in the City Controller's office are invaluable. She performs many duties and is most involved with reviewing expenditures to ascertain accuracy, appropriateness and proper authorization.



- A. Have financial oversight of City finances, independent of the Executive and Legislative branches and shall review all expenditures of the Mayor, City Council and City Boards, Commissions and Agencies;*
- B. Review the Annual Budget before approval by City Council, and make nonbinding recommendations to the Mayor and to City Council for consideration, if he or she deems it necessary;*
- C. Be present or represented at all Council meetings;*
- D. Perform specific audits of City finances from time to time as requested by the Mayor or by City Council;*
- E. Report, to the Mayor and to City Council, on the progress of the implementation of any recommendations as found in the Annual Audit and Management Letter;*
- F. Assist in all audits conducted by independent auditors;*
- G. Assure the accurate and timely completion and submittal of audit reports along with appropriate follow-up recommendations;*
- H. Furnish to City Council, the Mayor, and others, as appropriate, periodic reports of audits conducted;*
- I. Interpret and communicate audit policies and procedures to all City management and staff;*
- J. Direct internal financial security and loss investigation activities;*
- K. Prepare an annual budget for the office of City Controller and operate the office of City Controller within approved budget limitations; and*
- L. Issue any subpoenas in order to fulfill the duties and responsibilities of the office of City Controller. (Art. IV, §403)*
- M. The City Controller shall maintain an encumbrance system of budget operation. He or she shall receive from the Director of Finance and department heads such information regarding City properties and obligations and City income and expenditures as deemed necessary to carry out these duties. The Controller shall furnish the Director of Finance, other department heads and Council a report concerning these matters at least monthly and at such other times as he the Controller deems necessary. (12497 §1 1/20/82)*
- N. The City Controller shall review all warrants for the expenditure of City monies and, if satisfied that such expenditures are within the budget allotment pertaining thereto, shall sign such warrants before they are presented to the City Treasurer for payment. In so doing, the Controller shall also preaudit all claims and demands against the City prior to payment and shall approve warrants for payment thereof only if satisfied that such payment is in accordance with law. (11787 §502 1/20/70)*

Chapter	No.	Initiative	Due Date	Priority	Tracking	Tracking	Completion
Plan Implementation	PI01	Implementation Committee Meetings - Council reps, Admin & Act 47 Coordinator	N/A	0			0
Plan Implementation	PI02	Deploy Implementation Action Teams - Council reps, Admin & Act 47 Coordinator	N/A	0			0
Plan Implementation	PI03	Establish a Citizens Advisory Committee - see Cod Ords - Chapter 1 Part 5 E	N/A	2			0
Plan Implementation	PI04	Create a loaned executive program	N/A	2			0
Plan Implementation	PI05	Publish a performance measurement report to Mayor, Council, Act 47 Coordinator	Quarterly	21			0
Plan Implementation	PI06	Increase participation in regional organizations	N/A	3			0
Plan Implementation	PI07	Create teams to study authority and joint working options	N/A	21			0
Debt	DS01	Unfunded debt transaction	N/A	13			Nov-10
Debt	DS02	Terminate the swap agreement on the 2002 CABs	Jul 21 2010	14			0
Debt	DS03	Terminate the 2008 Swap Agreement	Eval monthly	3			0
Debt	DS04	Discontinue use of scoop refunding; require Coordinator approval of debt transactions	N/A	2			0
Debt	DS05	Explore alternative approaches to wastewater capital funding	N/A	2			0
Debt	DS06	Adopt and comply with debt policies reports to Council and Admin	N/A	2	Dec-10		0
Workforce	WF01	Use professional assistance for labor negotiations	N/A	11			0
Workforce	WF02	Establish a labor/management committee for all employee groups	N/A	2			Ongoing
Workforce	WF03	Limit new contract enhancements	N/A	16			0

Workforce	WF04	Eliminate FOP expenditure reduction bonus provision	Jan 1 2011	3			0
Workforce	WF05	Eliminate free employee parking	N/A	13		Mgmt & 1st level Jan 2010	
Workforce	WF06	Ensure future collective bargaining agreements remain compliant with Recovery Plan	N/A	16			0
Workforce	WF07	Three year wage and step freeze	Jan 1 2011	18			0
Workforce	WF08	Three year wage and step freeze for first level supervisors (AFSCME 3799)	Jan 1 2011	12			0
Workforce	WF09	Reduce management salaries by 2.5% in 2011	Jan 01 2011	18			0
Workforce	WF10	New pay scale for new police officers	Dec 31 2012	3			0
Workforce	WF11	New pay scale for new firefighters	Jan 1 2011	16			0
Workforce	WF12	Freeze longevity pay and eligibility	Jan 1 2011	16			0
Workforce	WF13	Reduce holidays from 14 to 10	Jan 1 2011	12		Mgmt Jan 2010	0
Workforce	WF14	Retain the right to use furlough days	2011-14	13			0
Workforce	WF15	Adjust overtime eligibility thresholds to reflect hours actually worked	N/A	16			0
Workforce	WF16	Reduce vacation leave	N/A	16			0
Workforce	WF17	Reduce sick leave allotments	N/A	16			0
Workforce	WF18	Amend sick leave incentive program	N/A	16			0
Workforce	WF19	Improve sick leave monitoring	N/A	16			0

Workforce	WF20	Court-related overtime reduction strategy	Jan 1 2012	2			0
Workforce	WF21	Amend IAFF overtime calculation to reflect Fire Department shift change	Jan 1 2011	16			0
Workforce	WF22	Adjust IAFF minimum overtime provision	N/A	16			0
Workforce	WF23	Remove disincentive for mutual aid use from IAFF agreement	Dec 31 2010	16			0
Workforce	WF24	Redesign employee health care	<b>2011-12</b>	11		Mgmt & 1st level Jan 2010	0
Workforce	WF25	Contain post-retirement healthcare costs	N/A	12			0
Workforce	WF26	Other health care cost containment measures	Sept 30 2010	2			0
Workforce	WF27	Enhance light-duty program	N/A	3			0
Workforce	WF28	Retain flexibility to fill vacant positions after six months	N/A	16			0
Workforce	WF29	Improve flexibility to assign qualified firefighters to duties as needed	N/A	16			0
Workforce	WF30	Review and restructure fire academy training	N/A	16			0
Workforce	WF31	Change first step of grievance process	N/A	16			0
Pension	PN01	Take advantage of Act 44 remedies	2011-12	11			0
Pension	PN02	Deposit 2007 unpaid MMO obligations	N/A	13			Dec-10
Pension	PN03	Do not provide benefits which exceed those allowed by the Third Class City Code	N/A	3			0
Pension	PN04	Comply with the Internal Revenue Code	Jan 31 2011	12			0

Pension	PN05	Eliminate overtime from firefighter pension benefit calculation for new hires	N/A	16			0
Pension	PN06	Eliminate the DROP program	N/A	16			0
Pension	PN07	Explore creation of a new, less expensive defined benefit plan for new employees	Dec 31 2010	11			0
Pension	PN08	Make a portion of the annual City pension contribution earlier in the year	N/A	2			0
Pension	PN09	Explore a defined contribution plan for retiree medical costs	N/A	3			0
Pension	PN10	Eliminate City contribution to retiree life insurance for new hires	N/A	16			0
Mayor's Office	OM01	Work with City Council to modify and revise City ordinances as necessary to implement the Recovery Plan	N/A	5			0
City Council and City Clerk	CC01	Modify and revise City ordinances as necessary to implement the Recovery Plan	N/A	5			0
City Council and City Clerk	CC02	Hold annual town hall meeting on City's progress	June 30 2011	5			0
City Auditor	CA01	Support Recovery Plan implementation and the external audit process	N/A	5			0
City Auditor	CA02	Establish process for coordinating and responding to external audits	N/A	2			0
City Auditor	CA03	Complete post project completion audits for capital work	N/A	2			0
Finance	FI01	Cash flow reporting and monitoring, monthly rept to Council, Mayor Act 47 Coordinator	N/A	11			Sep-10
Finance	FI02	Develop annual budget document	Oct 1 2010	18			0
Finance	FI03	Create a system to charge back expenses to departments	N/A	2			0
Finance	FI04	Quarterly financial reporting	N/A	14			0

Finance	FI05	Strengthen procurement controls	July 21 2010	14			1
Finance	FI06	Establish process for coordinating and responding to external audits	N/A	5			0
Finance	FI07	Fund balance policies	Dec 2010	2			0
Finance	FI08	Transfer tax collection duties to other entities	Jan 1 2011	12			Jan-10
Finance	FI09	Eliminate the Reading Call Center or equivalent level of costs	Jan 1 2011	18			Jan-10
Finance	FI10	Centralize billing and other administrative functions	N/A	18			Jan-10
Finance	FI11	Reduce manual processes	N/A	5			0.25
Finance	FI12	Citywide 7.5 percent reduction in non-personnel expenses (retain 2011 spending levels in 2012)	Jan 1 2011	18			0
Finance	FI13	Monitor and manage utility services	Dec 31 2010	5			0
Finance	FI14	Develop a performance management system	N/A	2			0
Information Technology	IT01	Move information technology support for the Police Department to Berks County	Dec 31 2010	2			0
Information Technology	IT02	Help other departments improve their use of technology; rept Mayor Council & Coordinator	Aug 20 2010	11			0.5
Information Technology	IT03	Pursue shared services for information technology	N/A	2			0
Capital Improvement Plan	CB01	Create an annual CIP document	N/A	3			0
Capital Improvement Plan	CB02	Increased involvement in CIP process from City departments	N/A	3			0
Capital Improvement Plan	CB03	Enhance communication between City and utilities	N/A	3			0

Capital Improvement Plan	CB04	Capital budget financing	N/A	3			0
Human Resources	HR01	Establish a first source employment referral system	Jan 1 2011	14			0
Human Resources	HR02	Complete a City-wide job study and update job descriptions	Jan 1 2012	3			0
Human Resources	HR03	Establish performance review process	N/A	2			0
Human Resources	HR04	Strengthen employee training	Sept 30 2010	2			0
Human Resources	HR05	Continue to create apprenticeship and internship opportunities	N/A	2			0
Human Resources	HR06	Study span of control	N/A	3			0
Human Resources	HR07	Outsource payroll processing	N/A	15			0
Human Resources	HR08	Develop a performance management system	N/A	2			0
Insurance and Risk Management	RM01	Establish policies to review employee driving records	N/A	2			0
Insurance and Risk Management	RM02	Attain damage estimates to improve cost recovery	Dec 31 2010	2			0
Insurance and Risk Management	RM03	Review excess liability coverage	N/A	2			0
Insurance and Risk Management	RM04	Update insurance specifications	N/A	3			0
Human Relations	HC01	Review HRC staffing	N/A	3			0
Law	LW01	Manage and reduce the use of outside counsel	Dec 31 2011	22			0
Law	LW02	Review all statutes, ordinances & resolutions to ascertain which boards need to retain their own counsel	N/A	2			0

Law	LW03	Implement a time tracking system	N/A	2			0
Law	LW04	Use professional assistance for labor relations activities	N/A	11			0
Reading Public Library System	RL01	Participate in restructuring the Reading Public Library ; Council Pres & Man Director	N/A	5			0
Fire	FD01	Change current shift schedule	Dec 31 2010	16			0
Fire	FD02	Restructure EMS Basic Life Support (BLS) unit staffing plan	Jan 1 2011	16			0
Fire	FD03	Establish part-time EMS positions to address vacancies and planned stand-by events	Jan 1 2011	16			0
Fire	FD04	Implement an engine company inspection program	Jan 1 2011	15			0
Fire	FD05	Evaluate potential for further consolidation of fire stations	RFP 2012	3			0
Fire	FD06	Adjust false alarm ordinance to more accurately reflect costs	Jan 1 2011	15		Bill 40-2010	Complete
Fire	FD07	Implement an emergency response fee	Jan 1 2011	3			0
Fire	FD08	Improve department use of technology rept to Mayor Council & Coordinator	Jan 1 2012	3			0
Fire	FD09	Pursue joint ladder purchase and other intergovernmental cooperation initiatives	N/A	3			0
Fire	FD10	Develop a performance management system	N/A	2			0
Police	PD01	Continue discussions with the County regarding the transfer of emergency 911 dispatch functions	N/A	11			0
Police	PD02	Reduce headcount in 2012	Jan 1 2012	3			0
Police	PD03	Explore regional alternatives to City bomb squad	N/A	2			0



Police	PD04	Other intergovernmental cooperation	N/A	2			0
Police	PD05	Discontinue leasing patrol vehicles	Jan 1 2011	2			0
Police	PD06	Improve cost recovery for extra duty overtime	Jan 1 2011	2			0
Police	PD07	Full cost recovery for officers assigned to Reading Housing Authority properties	Jan 1 2011	2			Dec-10
Police	PD08	Burglar alarms	Jan 1 2011	3		Bill 41-2010	Complete
Police	PD09	Establish Arson Investigation Task Force with Fire Department	N/A	2			0
Police	PD10	Track overtime expense by category	Jan 1 2011	12			0
Police	PD11	Develop a performance management system	N/A	2			0
Public Works	PW01	Review City fleet policies, practices, and needs	N/A	2			0
Public Works	PW02	Create a comprehensive vehicle list	July 30 2010	14			0
Public Works	PW03	Explore opportunities for fleet maintenance contracts with neighboring jurisdictions	Jan 1 2011	2			0
Public Works	PW04	Initiate auction/E-Bay sale of surplus vehicles and equipment in-lieu of trade-in	Dec 31 2010	2			0
Public Works	PW05	Develop a multi-jurisdictional vehicle and equipment organization	Jan 1 2011	3			0
Public Works	PW06	Initiate second shift at Garage for routine maintenance	Dec 31 2010	3			0
Public Works	PW07	Purchase and implement use of fleet management software	Dec 31 2010	2			0
Public Works	PW08	Charge back of all fleet expenses to all Departments; create service agreements	N/A	3			0

Public Works	PW09	Explore a public works apprenticeship program	N/A	3			0
Public Works	PW10	Evaluate possible contract maintenance of all parks	RFP 2010	2		PW Committee	0
Public Works	PW11	Evaluate minor park use and consider alternative management, use, or disposal of underused parks	Dec 31 2010	3		HPO Project	0
Public Works	PW12	Combine the Parks and Property Maintenance divisions	Jan 1 2011	2			0
Public Works	PW13	Transfer the Engineering division to the PW Administration division	N/A	3			Complete
Public Works	PW14	Maintain transfers from the Sewer Fund	N/A	5			0
Public Works	PW15	Establish and enforce a utility cut permit program	Jan 1 2011	3			0
Public Works	PW16	Improve department use of technology	Aug 30 2010	2			0
Public Works	PW17	Continue to explore establishing Rdg Recreation Commission, see Cod Ords Chapter 1 Part 5 K	N/A	3		Underway	0
Public Works	PW18	Develop a Performance Management System	N/A	2			0
Public Works	PW19	Create a City Stormwater Utility	N/A	2			0
Public Works	PW20	Evaluate special assessment charge system to recover street expenditures	Jan 1 2011	3			0
Public Works	PW21	Resolve public/private ownership of street lighting system and apply uniformly	Jan 1 2011	3			0
Public Authorities	PA01	Negotiate additional annual payment from RAWA	Nov 30 2010	11			Dec-10
Public Authorities	PA02	Establish an annual payment from RPA	Nov 30 2010	11			Nov-10
Public Authorities	PA03	Explore options for authority provision of services	N/A	11			0

Public Authorities	PA04	Explore transfer of RAWA City employees to RAWA	N/A	11			0
Community Development	CD01	Schedule additional Zoning Board hearings to eliminate backlog this year	Dec 31 2010	13			0
Community Development	CD02	Close out unpaid Community Development loans	Dec 31 2010	2		Underway	0
Community Development	CD03	Improve department use of technology	N/A	2			0
Community Development	CD04	Update comprehensive plan	Dec 31 2011	3			0
Community Development	CD05	Develop a performance management system	N/A	2			0
Property Maintenance Inspection	CE01	Clear rental inspection backlog	Dec 31 2010	13			0
Property Maintenance Inspection	CE02	Implement systematic two-year permitting and inspection program for rental housing	Jan 1 2011	13			0
Property Maintenance Inspection	CE03	Consider expanding shift coverage to evenings and weekends	N/A	13			0
Property Maintenance Inspection	CE04	Improve department use of technology	Aug 31 2010	2			0
Property Maintenance Inspection	CE05	Cross-train Fire Safety and Trades Inspectors	N/A	3			0
Property Maintenance Inspection	CE06	Assemble and systematically deploy code enforcement teams	N/A	2			0
Property Maintenance Inspection	CE07	Increase "no-show" penalty fees for property owners' absent at scheduled inspections	Jan 1 2011	13		Introduced 12-13-10	0
Property Maintenance Inspection	CE08	Consider adding pre-sale housing inspections	N/A	2			0
Property Maintenance Inspection	CE09	Develop a performance management system	N/A	2			0
Housing	HS01	Designate a Designate a Housing Coordinator	Aug 21 2010	12			0

Housing	HS02	Develop a comprehensive housing strategy	Mar 31 2011	13		Underway	0
Housing	HS03	Evaluate use of CDBG funding to ensure it supports the housing strategy	N/A	13			0
Economic Development	ED01	Develop a local economic development partnership and comprehensive strategy	N/A	13		Underway	0
Revenue	RE01	Delinquent tax collection	Dec 31 2010	12		contracts Linebarger/Portnoff	0
Revenue	RE02	Develop Water Fund transfer policy	Jan 1 2011	17			0
Revenue	RE03	Institute PILOT from the Reading Parking Authority (RPA)	Jan 1 2011	11			0
Revenue	RE04	Conduct tax exempt property audit and expand PILOT payments	Jan 1 2011	2			0
Revenue	RE05	Index fees to inflation	Dec 31 2010	5			0
Revenue	RE06	Generate additional revenue through Market Based Revenue Opportunities	July 1 2011	2			0
Revenue	RE07	Establish revenue estimating committee, Admin, Council Pres & Finance Chair	N/A	11		First mtg 9-1	0
Revenue	RE08	Temporarily expand earned income tax; reduce resident rate in 2014	Jan 1 2011	11			0
Revenue	RE09	Property tax increase in 2014	Dec 31 2013	3			0
Revenue	RE10	Failsafe revenue package	N/A	3			0
Revenue	RE11	Explore a change to a Land Value Tax structure	Rept 4 2011	3			0